



OSEA

PERMITTING & APPROVALS PROCESSES FOR COMMUNITY POWER PROJECTS

2007 First Edition



PERMITTING & APPROVALS PROCESSES FOR COMMUNITY POWER PROJECTS: Wind & Biogas Projects under Standard Offer Contracts in Ontario

Author:

Jennifer Gaudette

Contributing author:

Vanessa Heeney

Reviewers:

Paula Boutis, Paul Gipe, Glen Estill, Deb Doncaster, Damian Szybalski,
William Pol

Thank you to:

Ian Bender, Liz Cussans, Jake Debruyne, Ed Hale, Dave Heron, Jason Hoffman, Paul Klaesi, Christopher LaForest, Simone Gill, Marie LeGrow, Mauro Mazon, Stephen Monet, Gerry Murphy, Jay Pausner, Shawn Persaud, David Stinson, and David Timm.

© Ontario Sustainability Energy Association (OSEA) 2007

All rights reserved

The following guide may not be reproduced in whole or in part
without the prior written consent of the OSEA.

Ontario Sustainable Energy Association

401 Richmond Street West, Suite 401

Toronto, Ontario, Canada M5V 3A8

Funding for this project was provided by

Co-operative Development Initiative and the Ontario Trillium Foundation



Co-operatives Secretariat
Secrétariat aux coopératives

THE ONTARIO
TRILLIUM
FOUNDATION



LA FONDATION
TRILLIUM
DE L'ONTARIO

Canada

Final Notes / Disclaimer

This guidebook is for information purposes only. A variety of information sources were consulted in the writing of this guidebook however permits and approvals processes are under constant review and revision in this sector.

OSEA makes no guarantee as to the accuracy contained in this guidebook.

The authors can not be held liable for any errors found in this guidebook.

Wind and biogas projects are complex undertakings and project proponents are required to consult all relevant agencies and to ensure that the information they have about regulations, policies and procedures is accurate and up-to-date.

TABLE OF CONTENTS

Foreword	5
Figure 1: Simplified 3 Stream Permit & Approvals Process (Concurrent)	6
1. Introduction	7
2. Pre-Application	7
3. Standard Offer Program	7
Eligibility	8
The Development of the Standard Offer Program	8
The Standard Offer	8
Application Processes	9
Social, Economic & Environmental Benefits of SOP Projects	9
Payments	10
Transmission Constraints	10
Price Differentiation	10
Contracts Awarded	10
Case Example: BLT Farms-Biomass/Biogas Project	11
4. Biogas Project Variability	11
5. Wind Project Variability	11
6. The Role of Community Organizations in Municipal Wind Planning	12
7. Municipal Planning Principles for Wind Projects	12
8. Municipal Planning and Development Applications	13
9. Provincial Policy Statement	15
10. Ontario Planning Act	15
Provincial Planning Act Amendments	16
Exemption from Planning Act for Energy “Undertakings” (Bill 51)	16
Development Permit System (DPS) (Bill 51)	16
Implications of Planning Act Amendments on the Canadian Wind Industry	16
11. Regional Planning	17
12. Municipal Applications Processes	18
1. Official Plans	18
2. Zoning By-law Regulations	19
3. Consent to Sever/Lease	20
4. Site Plan Control	21
5. Building Permits	22
Planning Application Timing	22
Case Example: Klaesi Farm-Pioneering Biogas	23
13. Land Use Planning	23
Rural/Agricultural Areas	23
Settlement Areas	24
Areas of Employment	24
Brownfields	24
Greenfields and Parkland	25

14. Land Taxes	25
Local Benefits	25
Tax Incentives for Self-Generated Electricity	25
Property Assessment	26
Wind	26
Biogas	26
15. Environmental Assessment	27
Ontario Environmental Assessment Act (OEAA)	27
Community-Led Research	29
Comprehensive Study/Individual EA (Category C)	29
Certificate of Approval under Environmental Protection Act	30
Certificate of Approval for Noise	30
Canadian Environmental Assessment Act (CEAA)	30
Harmonizing Provincial and Federal EA Screening/Review Processes	31
Environmental Assessment Policy Reform	32
16. Public Consultation	32
EA Consultation for Electricity Projects	33
Combined Consultation	34
Case Example: Positive Power’s Community Outreach Plan	34
First Nations Consultation	34
17. Addressing Common Public Issues	35
Avian Mortality – Impact on Wildlife	36
Bats	36
Case Example: WindShare’s Urban Turbine and Birds	36
Noise Impacts	36
Visual Impact	37
Odour	38
Icing and Setbacks	38
Case Example: Windy Hills Caledon	39
Disputed Applications	39
18. Interconnection	39
Interconnection Issues	40
CIA –Connection Impact Assessment	41
CCE –Connection Cost Estimate	41
CCRA –Connection Cost Recovery Agreement	41
Electricity Generators License	42
Other Fees	42
Connection Agreement	42
ESA Inspection & Authorization	42
Timing	43
19. Project Certification	43
20. Conclusion	43
Appendix A: Key Energy Sector Regulating Authorities	44
Appendix B: Provincial Planning Act Amendments	45
Appendix C: 4 Essential Components of Biogas Projects	47
Appendix D: Consultation with First Nation Communities	48
Appendix E: Resources	54
Footnotes	55

FOREWORD

This guidebook (first edition) offers an overview of the policy environment for wind and biogas projects in Ontario. The content of this guidebook will also be useful to municipal planners considering wind project policy, project proponents and members of the public participating in planning processes. This guidebook is not comprehensive in scope due to the multitude of policy nuances across the province and will require regular updating to keep in step with policy changes. The Ontario Sustainable Energy Association makes no guarantee as to the legal accuracy of content.

The scope of this document includes farm-based biogas and wind power projects under 10 MW, that are eligible for the Standard Offer Program as of November, 2006. As the wind industry expands in Ontario, OSEA aims to support the development of Community Power projects. Permitting, approvals processes and land use planning for wind and biogas projects are emerging as issues at municipal, provincial and federal levels. As decision-makers search for best practices and regulatory parameters, OSEA works to ensure that these policies favour the growth of an industry that provides emission-free energy generation and energy-from-waste.

The installed capacity for wind power doubled in 2006. Over the past seven years the Canadian wind industry has grown from total installed capacity of 137 MW to 1,451 MW showing an annual growth rate of 38%. In this growth phase, the wind industry has experienced marked growing pains as policy makers are pressed to respond to increased applications and a surge of interest across the province. This has created a range of site-specific regulatory issues and anomalies with respect to wind power policy, which will be explored here in general terms.

Biogas projects are less prevalent and considerably less developed as a renewable energy technology with far less take up when compared with wind. For this reason, this guidebook places an emphasis on regulatory issues and policy changes related to wind power projects.

Wind power developments present a particular array of challenges in current regulatory environments. Proponents must be prepared to undertake a time and resource-intensive process with due diligence at every step, drawing on a range of skills and expertise to successfully acquire necessary permits and approvals. This guidebook offers general information on land use planning, application and approvals processes, criteria, issues identification and consultation requirements. It is intended to be used as planning, project and policy development tool.

The Ontario Sustainable Energy Association (OSEA) is an umbrella organization formed to implement community sustainable energy projects across Ontario. OSEA was established in May 1999, with a mission to “facilitate the transition to a sustainable energy economy in Ontario through the development and support of community-based sustainable energy initiatives.”

To purchase the full
hardcopy or PDF
document, please visit
OSEA's Publications
page at:

<http://www.ontario-sea.org/Page.asp?PageID=924&ContentID=899>